

FIRST5
Santa Clara County

Personnel and Finance Committee

October 21, 2002 at 1:00 p.m.

1150 S. Bascom Avenue, Suite 12, San Jose, California

Meeting Summary Notes

Members Present:

Frederick J. Ferrer, Chair
Robert Sillen

Attendees:

Ralph Oda, Director of Finance
Terri Sawdon, Executive Admin.

Absent:

Cindy Ruby

1. All to Order/Roll Call
Chairperson Ferrer called meeting to order.
2. Public Comment
There was no public comment.
3. Meeting Summary – September 26, 2002
The September 26, 2002 meeting summary was approved as presented.
4. Accept August 31, 2002 Financial Statements.
Ralph Oda briefly presented the August 31, 2002 financial statements. Highlights were an excess of revenue over expenses of \$3.7 million, resulting in a fund balance of \$90.6 million, and cash and investments of \$87.4 million. He explained the process for distribution of interest and investment income is calculated quarterly but distributed in 2 installments. The interest receivable as of August 31, 2002 includes approximately \$300K from the prior fiscal year and over \$600K for July and August 2002. Robert Sillen questioned the account payable variance between the August 31 and the fiscal year-end. Ralph Oda explained that at year-end the books are kept “open” and all July and August disbursements are reviewed to identify services and supplies purchased in the previous year. All expenses incurred in the prior year but paid in July or August are adjusted and shown as a payable as of June 30, 2002. During the course of the year staff does not have the latitude or time to keep the books open, but only reflects the payables that are recorded through the accounting system. Commissioner Sillen requested that Ralph Oda look into at least estimating what the payables are for future reports. The August 31, 2002 financial statements were accepted.
5. Discuss the Transfer of Funds from Santa Clara to First 5
Ralph Oda presented a proposal for transferring funds from the County to a First 5 account. Funds will be utilized for normal operating expenses and grant disbursements.

The initial transfer would be for a four-month period from Dec. 1 2002-March 31, 2003 and quarterly thereafter. This would enable staff to easily reconcile each transaction through STAR's. The first transfer will approximate \$8 million with the Personnel and Finance Committee approving each quarterly transfer amount.

Commissioner Ferrer requested that Ralph Oda check with at least 2 other banks. A motion to approve the transfer request was seconded and approved pending input from legal counsel. This will be placed on the Commission's meeting agenda in November for approval.

6. Space Planning Update

Ralph Oda provided a brief update of the first meeting with Anderson Brule. The intended results were to develop a scope of services, fee and contract. Commissioner Ferrer summarized that at the original meeting the architects (Anderson Brule) had requested that FIRST 5 provide them with the basic, and full-blown or ultimate scenario. Anderson Brule would then identify the costs for the basic needs and breakdown the different scenarios with projected costs for each scenario. Commissioner Sillen mentioned that this work should be accomplished as soon as possible to take advantage of the current real estate market.

7. Future Meeting Date

The committee selected December 4 at 1:00 as for their next meeting.

8. Adjournment

The committee adjourned until December.